

To: Senate Budget and Taxation Committee

Date: March 11, 2026

Re: Testimony in Opposition to Senate Bill 884 – Internet Poker Authorization and Regulation Act of 2026

The Cordish Companies and Live! casino and oppose SB 884, which would authorize internet poker and other internet skill-based gaming in the State.

Maryland's brick and mortar casinos drive significant State revenues and generate material benefits to the State's economy.

- Maryland has the 19th largest population in the country but generates the 4th highest gaming tax revenues.
- Maryland's six commercial casinos support 15,000+ direct jobs, generate \$3.0 billion in economic impact; and create \$962.2 million in tax impacts.¹
- Maryland has one of the highest gaming tax revenues as a percentage of corporate income tax collected in the country, at 52%. In other words, the 6 casinos in Maryland pay over half as much tax annually as **the thousands of other corporations doing business in the state each year.** (\$848 million Gaming Tax v \$1.6 billion corporate income tax.²)

Since the inception of commercial gaming in Maryland, Maryland casinos have provided \$6.7 billion to the Maryland Education Trust Fund and over \$9 billion in overall gaming taxes. They have also generated over \$56 million in problem gambling fund contributions.

Maintaining the stability of Maryland's existing gaming market is essential to ensuring the continued success of the industry and the continued funding of public priorities supported by casino gaming revenues.

Legalization of Internet Poker and Skill-Based Games Places the benefits of a successful Casino Industry at Risk

- The expansion of gaming into internet poker and other online skill-based games risks cannibalizing existing gaming revenues that currently support Maryland's casinos and the thousands of jobs they provide.
- Experience in other jurisdictions demonstrates that online gaming shifts existing gaming activity away from brick-and-mortar facilities rather than creating substantial new gaming demand.

¹ Source: American Gaming Association

² Source: January 2023 DLS Fiscal Briefing

- Cannibalization is Real; Live! Casino saw a 70% decline in retail sportsbook traffic following the introduction of online sportsbooks in 2022.
- Live! Casino alone employs over 200 people in support of its poker operations alone, all of which would be at risk with the introduction of online poker

Fundamentally, SB 884 threatens the broader economic ecosystem supported by Live! and Maryland's Casino industry. In-person casino gaming drives employment in hospitality, restaurants, hotels, entertainment venues, and tourism industries that do not benefit from online gaming platforms.

SB 884 further defines internet skill-based gaming in a manner that allows the future expansion of online gaming well beyond poker.

- Skill Based Games are authorized by this bill, yet not specifically defined. These represent immeasurable risk to every aspect of the current casino business model from video lottery terminals to traditional table games.
- This could result in a broader expansion of internet gaming than initially contemplated, further increasing the potential for revenue cannibalization, the ill effects of problem gambling, all without a clear definition and understanding of the nature of gaming this bill is intended to authorize.
- As on line skill based games cannibalize casino revenues, it will be at a far lower effective tax rate, placing state tax revenues at risk. SB 884 taxes internet gaming at 30% versus the effective blended tax rate of casinos which is over 41%.

Maryland's casino operators have collectively invested billions of dollars to build and maintain high-quality facilities throughout the State. These investments were made in reliance on the stability of Maryland's gaming framework and the carefully balanced market structure established by the General Assembly.

The risks associated with expanded internet gambling also extend beyond economic impacts alone. Online gaming platforms provide continuous remote access to gambling opportunities and increases exposure to gambling activity among vulnerable populations. Internet gaming presents unique regulatory and public policy challenges compared with in-person gaming and require careful study and a deliberate approach to legislation.

Maryland's current casino program has proven highly successful in generating tax revenues, supporting employment, and funding critical public priorities while maintaining the highest standards in its approach to responsible gaming.

For these reasons, The Cordish Companies and Live! Casino respectfully requests an unfavorable report on SB 884.